Recommendations of Fifth Pay Commission

1391. SHRI LALIT SURI: Will the Minister of FINANCE be pleased to state:

(a) the recommendations of the Fifth Central Pay Commission relating to pensioners which have not so far been accepted by Government;

(b) the recommendations of the said Commission relating to pensioners which have been accepted, partially or with modifications;

(c) whether Government propose to reconsider the recommendations at (a) and (b) above; and

(d) if so, by when?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The Government has not accepted recommendations of the Fifth CPC regarding restoration of commuted portion of pension on completion of 12 years from the actual date of commutation instead of 15 years as at present. The recommendation with regard to additional pension for service rendered beyond 33 years has also not been accepted by the Government.

(b) Except the recommendations mentioned in part (a) to the reply, other recommendations of the Fifth CPC relating to pensioners have been accepted by the Government.

(c) No, Sir.

(d) Question does not arise.

Infrastructure Bonds

1392. SHRI LALIT SURI: Will the Minister of FINANCE be pleased to state:

(a) the names of financial institutions which have been allowed to float 'INFRASTRUCTURE BONDS' which entitle the investors to claim tax rebate under Section 88 of the Income Tax Act, 1961;

(b) the money collected by these institutions during the last three years, institution-wise and year-wise;

(c) which agency monitors that the condition under which these bonds are allowed to be floated, are fulfilled;

(d) whether there have been cases of violation of the conditions; and

(e) if so, the names of the concerned institutions and the action taken in each case.;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) The names of the Financial Institutions (FIs) which have been allowed to float 'Infrastructure Bonds' which entitle the investors to claim tax free rebate under Section 88 of the Income-Tax Act, 1961, are given in Statement-I (See below).

(b) The money collected by these institutions during the last three years, Institution-wise and year-wise are given in Statement-ll (See below).

(c) Cental Board of Direct Taxes, Department of Revenue, Ministry of Finance, New Delhi monitors that the conditions under which these bonds are allowed to be floated are fulfilled;

(d) No cases of violation of the conditions by these FIs have been noticed;

(e) Does not arise in view of (d) above.

Statement-I

Names of the Financial Institutions which have been allowed to float 'Infrastmcture Bonds' u/s 88 of the Income-Tax Act, 1961

(i) The Industrial Credit The Industrial Credit and Investment Corporation of India Limited (ICICI Ltd.) {merged with ICICI Bank Ltd. w.e.f. 30.3.2002};

(ii) The ICICI Bank Ltd.;

(iii) The Industrial Development Bank of India (IDBI);

(iv) Power Finance Corporation Limited (PFC Ltd.);

(v) Rural Electrification Corporation Limited (REC Ltd.);

(vi) Indian Renewable Energy Development Agency Limited (IREDALtd.)

Statement-ll

Money collected by Financial Institutions which have been allowed to float 'Infrastructure Bonds' u/s 88 of theIncome-Tax Act, 1961 during the last three years (F.Ys 2001-02, 2002-03, 2003-04), institution-wise and year-wise

Name of the FIs	Money collected during the last three years (in Rs. crores)			Remarks
	2001-02	2002-03	2003-04	
ICICI Ltd.	3315.68			
ICICI Bank Ltd		1618.89	2441.50	ICICI Ltd. merged with ICICI Bank Ltd. *w.e.f.* 30.3.2002
IDBI	512.81	1824.34	2625.51	
REC Ltd.	5.30	83.28	16.18	
IREDA Ltd:				Approval was given vide letter dated 11.2.2003, but no money has been raised.

Cost of currency printing

1393. SHRI E.M. SUDARSANA NATCHIAPPAN: Will the Minister of FINANCE be pleased to state:

(a) whether the Plastic Money Credit and Debit Cards in banking sector have reduced the cost on printing currency and coins;

(b) if so, the details thereof; and

(c) if not, whether Government would make a study in that aspect as a small step to reduce inflation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. .PALANIMANICKAM): (a) to (c) Use of Credit and Debit cards in banking sector to a certain extent eases the pressure on the currency notes in circulation in the country. Its impact, however, is absorbed by the incremental increase of currency notes supply on a yearly basis. RBI takes this fact into consideration while assessing the demand of currency notes from time to time.